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UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK

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In re:	:	Chapter 11
	:	
DELPHI CORPORATION, <i>et al.</i> ,	:	
	:	Case No. 05-44481 (RDD)
	:	(Jointly Administered)
Debtors.	:	Hearing Date: April 7, 2006 at 10:00 a.m
	:	
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**STATEMENT OF UAW IN SUPPORT OF DEBTORS' MOTION  
FOR APPROVAL OF HOURLY ATTRITION PROGRAMS**

[Relates to Docket No. 4269]

International Union, United Automobile, Aerospace & Agricultural Implement  
Workers of America ("UAW") responds in support of the Debtors' Motion for Order under 11  
U.S.C. §§ 363(b) and Fed. R. Bankr. P. 6004 Approving (I) Supplement to UAW Special  
Attrition Program and (II) IUE-CWA Special Attrition Program ("Hourly Attrition Programs  
Motion") and states as follows:

1. In order to expand the opportunities created by the Special Attrition  
Program agreed to by UAW, General Motors and Delphi in March, 2006, the parties have

reached agreement on a supplement (the “UAW Supplement”) to the program that would permit buyout opportunities and expand the pre-retirement program for UAW-represented Delphi employees not currently eligible for attrition incentives under the original March 2006 program. Based upon the positive response to the Special Attrition Program as approved by the Court in April, 2006, it is clear that offering a program of this type was, as the Court observed at the time, good business and “fundamentally right” given the continued uncertainties facing the workforce. *See* April 7, 2006 Transcript, pp. 219-21.

2. Over 12,600 of the approximately 14,000 employees eligible for the incentives or options provided under the Special Attrition Program have elected to take advantage of those opportunities, a response far exceeding the UAW’s experience with attrition programs at Delphi, General Motors or other companies. The response is a measure of the degree to which Delphi employees are concerned about the uncertain prospects for future employment given Delphi’s stated transformation plans and the overall economic climate in the automotive supply industry generally. The heavily contested Section 1113/1114 litigation has only underscored the magnitude of the issues confronting Delphi’s workforce.<sup>1</sup> Expanding the program through the UAW Supplement is both necessary and appropriate, for all of the reasons that the Court previously identified.

3. UAW therefore supports approval of the UAW Supplement in order to expand the incentive opportunities available to the employees. The UAW Supplement represents a further, important and constructive step forward in the framework the parties have established and defined to address Delphi’s labor issues. UAW also supports approval of the IUE-CWA Special Attrition Program.

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<sup>1</sup> In light of the pending Section 1113/1114 proceedings, UAW will reserve its response to Delphi’s statements regarding its collective bargaining agreements and labor cost issues for UAW’s case in that proceeding. UAW’s support for the Hourly Attrition Programs Motion is not an endorsement of such statements.

Dated: June 27, 2006  
New York, NY

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